

VZCZCXRO0472  
RR RUEHBC RUEHDE RUEHIHL RUEHKUK  
DE RUEHGB #2399/01 2131509  
ZNY CCCCC ZZH  
R 311509Z JUL 08  
FM AMEMBASSY BAGHDAD  
TO RUEHC/SECSTATE WASHDC 8610  
INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 002399

SIPDIS

E.O. 12958: DECL: 07/31/2018  
TAGS: [ECPS](#) [ECON](#) [EINT](#)  
SUBJECT: NEW COMMUNICATIONS MINISTER SOUNDS BOTH  
ENCOURAGING AND CONCERNING NOTES

REF: A. BAGHDAD 2320  
[1](#)B. BAGHDAD 1291

Classified By: Economic Minister Charlie Ries for Reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY: In our first meeting with him July 30, the GOI's new Minister of Communications, Farouk Abdel Qadir Abdel Rahman (Tawafuq/IIP), told EMIN of his vision for the Ministry. Abdel Rahman, who was confirmed last week with the other Tawafuq additions to the GOI (reftel A), told EMIN he wanted his anticipated eighteen-month tenure as Minister to be well remembered as an era in which Iraq's telecommunications infrastructure and services improved. He welcomed EMIN's offer of continued USG technical advice and assistance. Abdel Rahman said the private sector had important roles to play in developing and maintaining Iraq's telecommunications infrastructure. He argued, however, that state control of key communications infrastructure, such as its international gateways, was an important element of Iraqi sovereignty. A new fulltime Minister at the MOC presents both upside and downside risks. END SUMMARY.

-----  
WARM TO USG ASSISTANCE  
-----

[1](#)2. (C) New Minister of Communications Abdel Rahman met EMIN, Telecommunications Policy Officer, and Communications Senior Consultant July 30 and discussed his vision for the Ministry. Abdel Rahman said he would take his first month on the job to learn as much as he could about the Ministry and then establish his priorities. He told EMIN he wanted his anticipated eighteen-month tenure as Minister to be well remembered as an era in which Iraq's telecommunications infrastructure and services improved. He welcomed EMIN's offer of USG technical advice and assistance to support him in his efforts. "We need to cooperate to rebuild Iraq," Abdel Rahman said.

[1](#)3. (C) EMIN observed that a "Telecommunications and Media Law"--which would redefine the Coalition Provisional Authority (CPA)-created Communications and Media Commission (CMC), Iraq's independent telecoms regulator--has languished in the Council of Representatives (CoR) since its first reading in May 2007. Abdel Rahman noted that the Ministry of Communications (MoC) formed part of the Ministry of Transportation under Saddam Hussein's regime and that no post-2003 legislation had clarified its powers and responsibilities as a separate entity. He would therefore be more focused on a separate piece of legislation--which he said was stuck in the Shura Council and not yet submitted to the CoR--to reconstitute the MoC itself. The Telecommunications and Media Law and the MoC reorganization law would both fall under an "umbrella" communications legislation. (NOTE: The World Bank gave former Communications Minister Mohammed Allawi advice on organizing this legal framework. END NOTE.) Abdel Rahman agreed with EMIN that laws clarifying the roles of the CMC and the MoC were important and that the new legislation needed to

preserve the CMC's independence as a regulator. He offered no timeline for passage of the laws.

-----  
HOT AND COLD ON THE PRIVATE SECTOR  
-----

¶4. (C) Abdel Rahman said the private sector had important roles to play in developing and maintaining Iraq's telecommunications infrastructure; he planned to contract private companies to operate and maintain MoC-owned networks.

(NOTE: We have long encouraged the MoC to do this; its own technical staff has proven ineffective at providing operations and maintenance (O&M) for government-owned fiber optic and wireless infrastructure. END NOTE.) State provision of O&M, he observed, also encouraged corruption.

¶5. (C) Abdel Rahman argued, however, that state control of key communications infrastructure was an important element of Iraqi sovereignty. He expressed support for recently awarded contracts the MoC signed with firms to set up and operate MoC-owned international gateways and provide MoC-contracted international carrier services to Iraq's licensed Global System Mobile (GSM) and Wireless Local Loop (WLL) operators (to be reported septel). Once in place, the MoC plans to require the GSM and WLL operators to use the MoC-contracted gateways and carriers. The new infrastructure, Abdel Rahman said, would allow the GOI to monitor international voice and data traffic for counter-terrorist intelligence and improve Iraq's security. We stressed to Abdel Rahman the need for Iraq to develop a transparent legal process to regulate law enforcement and security services' access to such

BAGHDAD 00002399 002 OF 002

infrastructure. He agreed but noted that such matters would not fall within the responsibilities of his Ministry. (NOTE: Post has begun a dialogue with relevant GOI contacts regarding electronic search and seizure best practices. END NOTE.)

-----  
COMMENT  
-----

¶6. (C) A new fulltime Minister may invigorate the MoC, which has plodded along with a feckless Acting Minister since November 2007 (reftel B). Abdel Rahman's experience as an engineer and project manager could catalyze progress on several behind-schedule MoC infrastructure improvement efforts. Contacts at the majority Shi'a MoC have expressed guarded optimism that their new Sunni leader will prove himself pragmatic and effective. But more energetic leadership at the MoC presents downside risks as well. Iraq's wireless telecoms market has been a notable bright spot of private-sector investment since 2003, in part because a weak MoC has not heretofore placed significant barriers in the way. If the MoC clumsily tries to exert state control over this vibrant, still developing industry, it could hamper what has been a pocket of robust growth; not the message Iraq should send to would-be private investors.

CROCKER